GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2716
ANSWERED ON:31.08.2007
CARBON CREDIT TRADING BY SBI
Barad Shri Jashubhai Dhanabhai;Prabhu Shri Suresh Prabhakar

Will the Minister of FINANCE be pleased to state:

(a) whether State Bank of India (SBI) has planned to create financial instruments to aid carbon credit trading and advise clients in the eco-friendly business as reported in Hindustan Times dated August 08, 2007; and

(b) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PA WAN KUMAR BANSAL)

(a) & (b) : Yes, Sir. To tap the emerging opportunities in the global carbon trading market, the State Bank of India has tied up with three clean development mechanism (CDM) consultants viz. MITCON Consultancy Services Ltd., Ecosecurities India Private Ltd. and CantorCO2e India Private Ltd. to provide appropriate advisory services to its borrowers. The bank has put in place a policy whereby it plans to involve itself in the CDM areas such as
(i) Advisory services,
(ii) Intermediary services
(iii) Loan against carbon credit receivables
(iv) Carbon credit delivery guarantee
(v) Clustering of small scale units for availing CDM benefits
(vi) Escrow Mechanism, etc.